



Governor Janice K. Brewer

# State of Arizona

## Department of Homeland Security



Director Gilbert M. Orrantia

### Homeland Security Grant Program (HSGP) Funding Restrictions for Management and Administration (M&A)

The Federal Department of Homeland Security (DHS) has clearly defined restrictions of the use of grant funds related to Management and Administration (M&A) reimbursable costs. This document is an overview of the DHS and AZDOHS restrictions:

#### Management and Administration (M&A) Limits:

Maximum percentages have been established in each of the funding years for each of the applicable funding sources. M&A is to be used solely for management and administrative purposes associated with the HSGP award.

- Supplanting is not permitted.
- Indirect costs are not eligible for reimbursement.
- M&A must be identified and approved in your grant application.
- All expenditures must be reasonable, as deemed by AZDOHS.
- Pre-award costs are not allowable.
- Activities must be directly related to the Management and Administration of the grant, not the project the grant supports. Example: Preparing a bid solicitation is not an M&A reimbursable cost.
- Authorized expenditures include costs associated with subgrantee requirements and compliance with reporting, data collections, reimbursements, and site monitoring.
- The following items may be considered for reimbursement; if pre-approved; within the period of performance of the grant; supporting documentation is provided; the expenditures are M&A related; and deemed reasonable by AZDOHS:
  - Hiring of full- or part-time staff (net increase of an FTE must be documented) or contractors/consultants to assist with the grant management requirements
  - Overtime costs
  - Authorized office equipment/supplies
  - Travel
  - Meeting related expenses
  - Recurring expenses such as those associated with cell phones and faxes during the period of performance of the grant program.
  - Leasing or renting space for personnel during the period of performance of the grant program.

DHS grant funds may only be used for the purpose set forth in the grant, and must be consistent with the statutory authority for the award. Grant funds may not be used for matching funds for other Federal grants/cooperative agreements, lobbying, or intervention in Federal regulatory or adjudicatory proceedings.

If you have questions, please contact your regional planner.